

**COMMONWEALTH OF VIRGINIA**  
**DEPARTMENT OF TRANSPORTATION**  
**CONSTRUCTION DIVISION MEMORANDUM**

**GENERAL SUBJECT:** DBE/MBE/WBE MENTOR/PROTÉGÉ PROGRAM **NUMBER** CD-2000-7

**SPECIFIC SUBJECT:** ISSUANCE OF GUIDELINES **DATE:** JANUARY 18, 2000

Original w/Signature on file in Construction  
Division

C. F. GEE  
CONSTRUCTION ENGINEER

**DIRECTED TO - DISTRICT ADMINISTRATORS**

In order to assist DBE/MBE/WBE firms in gaining the ability to compete successfully in the marketplace, the Department, with the approval of the Federal Highway Administration, established a formal mentor/protégé program. This program formalizes, where DBE/MBE/WBE protégés and non-DBE/MBE/WBE mentors are involved, the types of assistance that existing small and/or new firms have traditionally received from larger, established prime Contractors throughout the road building industry. The program provides that:

1. Only firms certified by VDOT, as DBE/MBE/WBEs before they are proposed for participation in a mentor-protégé program are eligible to participate in the mentor-protégé program.
2. During the course of the mentor-protégé relationship:
  - a. Credit must not be awarded to a non-DBE/MBE/WBE mentor firm for using its own protégé firm for more than one half of its goal on any contract let by VDOT; and
  - b. DBE/MBE/WBE credit must not be awarded to a non-DBE/MBE/WBE mentor firm for using its own protégé firm on more than every other VDOT contract for work performed by the protégé firm.
3. For purposes of making determinations of business size under this part, protégé firms must not be treated as affiliates of mentor firms when both firms are participating.
4. Any mentor-protégé relationship shall be based on a written development plan, approved by VDOT, which clearly sets forth the objectives of the parties and their respective roles, the duration of the arrangement, and the services and resources to be provided by the mentor to the protégé. The formal mentor-protégé agreement may set a fee schedule to cover the direct and indirect cost for such services rendered by the mentor for specific training and assistance to the protégé throughout the life of the agreement. Services provided by the mentor may be eligible for reimbursement by VDOT.

- a. To be eligible for reimbursement, the mentor's services provided and associated costs must be directly attributable and properly allowable to specific individual contracts. VDOT may establish a line item for the mentor to quote the portion of the fee schedule expected to be provided during the life of the contract. The amount claimed shall be verified by VDOT and paid on an incremental basis representing the time the protégé is working on the contract. The total individual contract figures accumulated over the life of the agreement shall not exceed the amount stipulated in the original mentor-protégé agreement.
- b. DBE/MBE/WBEs involved in a mentor-protégé agreement must be independent business entities, which meet the requirements for certification by VDOT. A protégé firm must be certified by VDOT before it begins participation in a mentor-protégé arrangement. In most instances, early involvement by the Department in the actual planning process can be beneficial to the Contractors involved. Participation by the Construction and EO Divisions may be coordinated by calling DBE/Labor Compliance Administrator, at 804-786-6020, or the Assistant EO Administrator, at 804-786-4552.

The following points should be useful in program administration:

#### **I. APPLICATION**

- A. All applications should be submitted to the Construction Division.
- B. Initially, all applications will be reviewed by the Construction and EO Divisions.
- C. If all requested information is submitted in a timely manner, typical review will require 30 days.
- D. All approved plans will be sent to each District, with routine monitoring of specific contract and related activities done by the District involved.
- E. All actions, modifications, and terminations will be reviewed by the Construction and EO Divisions.
- F. Approval and termination letters will be signed by the Construction Engineer.

#### **II. MONITORING**

- A. Monitoring of project specific activity will be conducted under the existing compliance review format.
- B. Monitoring of non-project specific activity will have the concurrence and involvement of the Construction and EO Divisions, and will be identified in the approved plan.
- C. It is understood that some approved plans may allow "non-commercially useful function" activities; however, project inspectors are expected to maintain current standards regarding project related documentation and conformity with specifications and approved guidelines. The appropriate District Equal Opportunity Manager will have the responsibility for determining if non-conforming project activities are within the parameters of the approved mentor-protégé plan, with technical interpretations and guidance available from the Construction and EO Divisions. Compliance reviews should note such activity when appropriate.